



Eckert Seamans Cherin & Mellott, LLC
Two International Place
16th Floor
Boston, MA 02110

TEL 617 342 6800
FAX 617 342 6899
www.eckertseamans.com

Ryan M. Murphy
617-342-6884
rmmurphy@eckertseamans.com

May 27, 2021

VIA ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888
luly.massaro@puc.ri.gov

**Re: Docket 5073 - Petition of Retail Energy Supply Association
for Implementation of Purchase of Receivables Program**

Dear Ms. Massaro,

Enclosed please find an electronic version of the Reply Testimony of Daniel W. Allegretti, with Exhibits, on behalf of the Retail Energy Supply Association in the above-referenced matter.¹

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me at 617-342-6884.

Very Truly Yours,

/s/ Ryan M. Murphy

Ryan M. Murphy

Enclosure

cc: Docket 5073 Service List

¹ Per Commission counsel's update on October 2, 2020 concerning the COVID-19 emergency period, RESA is submitting an electronic version of this filing. RESA will also provide the Commission Clerk with six (6) hard copies of the enclosures via First Class Mail.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below on May 27, 2021.

/s/ Ryan M. Murphy

Ryan M. Murphy, Esq.

**Docket No. 5073 – Retail Energy Supply Associations Petition for Implementation of Purchase of Receivables Program
Service List updated 4/30/2021**

Name/Address	E-mail Distribution	Phone
NRG Energy, Inc. Ryan M. Murphy, Esq. Eckert Seamans Cherin & Mellott, LLC Two International Place, 16 th Floor Boston, MA 02110	rmmurphy@eckertseamans.com;	617-342-6884
	CWaksler@eckertseamans.com;	
	Kmoury@eckertseamans.com;	
	DODell@eckertseamans.com;	
National Grid Andrew Marcaccio, Esq. National Grid. 280 Melrose St. Providence, RI 02907	Andrew.Marcaccio@nationalgrid.com;	401-784-7263
	CELIA.OBRIEN@nationalgrid.com;	
	Jennifer.hutchinson@nationalgrid.com;	
	Juliana.Griffiths@nationalgrid.com;	
	Joanne.scanlon@nationalgrid.com;	
	Josh.Pasquariello@nationalgrid.com;	
	Manprit.Aneja@nationalgrid.com;	
	Joan.Jerz@nationalgrid.com;	
Division of Public Utilities Leo Wold, Esq. John Spirito, Esq. Division of Public Utilities and Carriers	Leo.wold@dpuc.ri.gov;	
	John.spirito@dpuc.ri.gov;	
	Margaret.L.Hogan@dpuc.ri.gov;	
	John.bell@dpuc.ri.gov;	
	Joel.Munoz@dpuc.ri.gov;	
	dmacrae@riag.ri.gov;	
	Mfolcarelli@riag.ri.gov;	
Kathy Kelly Carrie Gilbert Daymark Energy Advisors	kkelly@daymarkea.com;	
	cgilbert@daymarkea.com;	

Direct Energy Business LLC Joseph A. Farside, Jr. Locke Lord LLP 2800 Financial Plaza Providence, RI 02903	Joseph.Farside@lockelord.com ;	401-274-9200
Good Energy, Inc. James G. Rhodes, Esq. 205 Governor St. Providence, RI 02906	jamie.rhodes@goodenergy.com ; philip.carr@goodenergy.com ; stefano@goodenergy.com ; patrick@goodenergy.com ;	401-225-3441
File an original & 9 copies w/: Luly E. Massaro, Commission Clerk Cynthia Wilson-Frias, Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ; Alan.nault@puc.ri.gov ; Cynthia.WilsonFrias@puc.ri.gov ; Todd.bianco@puc.ri.gov ; John.harrington@puc.ri.gov ; Rudolph.S.Falcone@puc.ri.gov ;	401-780-2017
Office of Energy Resources Albert Vitali, Esq. Nicholas Ucci Christopher Kearns	Nicholas.ucci@energy.ri.gov ; Christopher.Kearns@energy.ri.gov ; Becca.Trietch@energy.ri.gov ; Nathan.Cleveland@energy.ri.gov ; Carrie.Gill@energy.ri.gov ; Albert.vitali@doa.ri.gov	
Michael McElroy, Esq. McElroy & Donaldson	Michael@mcelroylawoffice.com ;	
PPL Electric Utilities Ronald Reybitz Stephen Breininger	rjreybitz@pplweb.com ; skbreininger@pplweb.com ;	

BEFORE THE
STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

REPLY TESTIMONY OF

DANIEL W. ALLEGRETTI

ON BEHALF OF
THE RETAIL ENERGY SUPPLY ASSOCIATION

Docket No. 5073

May 27, 2021

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Daniel W. Allegretti and my business address is 25 Toad Hill Road,
4 Franconia, New Hampshire.

5 **Q. ON WHOSE BEHALF ARE YOU PROVIDING THIS TESTIMONY?**

6 A. I am providing this testimony on behalf of the Retail Energy Supply Association
7 (“RESA”).¹

8 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN THIS**
9 **PROCEEDING?**

10 A. Yes. I submitted Direct Testimony on behalf of RESA in this proceeding on December
11 15, 2020. I also participated in a Technical Session convened by the State of Rhode
12 Island Public Utilities Commission (“Commission”) on March 24, 2021.

13 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?**

14 A. Yes, I have testified on behalf of Constellation Energy as an expert witness in connection
15 with Commission proceedings regarding the procurement of default electric service.

16 **Q. WHAT IS THE PURPOSE OF YOUR REPLY TESTIMONY?**

17 A. I am submitting this Reply Testimony to address: (1) the Direct Testimony of The
18 Narragansett Electric Company d/b/a National Grid (“National Grid” or “Company”)
19 served on January 15, 2021; (2) the Direct Testimony of Good Energy L.P. (“Good
20 Energy”) served on January 15, 2021; (3) the Position Statement of the Rhode Island

¹ The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

1 Division of Public Utilities and Carriers (“Division”) served on February 3, 2021; and (4)
2 questions raised by the Commission’s Chairman, Commissioners and Staff during the
3 Technical Session conducted on March 24, 2021, and as further developed in the
4 Commission’s Second Set of Data Requests directed to RESA, which were issued on
5 April 19, 2021.

6 **Q. HOW WOULD YOU SUMMARIZE THE OTHER PARTIES’ TESTIMONY?**

7 A. The other parties are either supportive of or not opposed to RESA’s Petition for
8 Implementation of Purchase of Receivables Program (“Petition”), which was filed on
9 September 16, 2020. Good Energy’s testimony is supportive of the Petition, particularly
10 due to its interest in Rhode Island’s municipal aggregation program. Additionally, the
11 Division’s Position Statement recognizes that POR appears to have achieved increased
12 market entry by suppliers in other markets. While National Grid and the Division seek
13 clarifications or offer proposed changes to certain aspects of the Petition, nothing raised
14 by these parties presents a hurdle to POR implementation. Indeed, my Reply Testimony
15 is providing the requested clarifications and agreeing to the suggested revisions to the
16 program parameters. Therefore, no areas of dispute exist as to what the rules or
17 requirements should be in implementing a Purchase of Receivables (“POR”) program.
18 An issue that needs to be resolved concerns the timing of implementation, which I
19 believe can be addressed in a manner that adequately considers the parties’ positions
20 while ensuring that National Grid has ample time to implement the program following
21 issuance of a Commission order.

1 **II. PURCHASE OF RECEIVABLES PROGRAM**

2 **Q. BEFORE ADDRESSING THE OTHER PARTIES' TESTIMONY, PLEASE**
 3 **BRIEFLY DESCRIBE A PURCHASE OF RECEIVABLES PROGRAM.**

4 A. By its Petition, RESA proposed that the Commission direct the implementation of a POR
 5 program by the electric distribution company ("EDC"), National Grid. A POR program
 6 sets forth the parameters under which the EDC bills and collects the charges (accounts
 7 receivable) owed to a participating supplier that is providing the end-user customer with
 8 generation service and where the customer is receiving a single consolidated bill from the
 9 EDC for both supply and distribution charges. As proposed by RESA, the EDC would
 10 purchase the receivables of nonregulated power producers ("NPPs" or "suppliers"), at a
 11 discounted rate, regardless of whether the EDC has collected the owed monies from
 12 customers.

13 **Q. PLEASE SUMMARIZE RESA'S REASONS FOR PROPOSING A POR**
 14 **PROGRAM.**

15 A. A POR program would facilitate the development of a competitive retail market for the
 16 provision of electric generation services in Rhode Island as envisioned by the Utility
 17 Restructuring Act of 1996.² As a key factor in supporting retail market development, a
 18 POR program will improve the consumers' electric shopping experience by giving them:
 19 (a) enhanced access to the competitive supply market; (b) a greater potential for cost
 20 savings; (c) the opportunity to receive a wider array of service and product offerings; and
 21 (d) the ability to receive electric solutions tailored to meet their needs.

22 Under a POR program, electric suppliers are able to both liquidate and syndicate
 23 the costs of non-collection with regard to the electricity sales they make by selling their

² R.I. Gen. Laws § 39-1-27.1

1 receivables to the EDC. This eliminates the bad debt risks otherwise faced by suppliers,
2 and gives suppliers a known amount of uncollectible costs to include in the supply
3 charges rather than being faced with the situation of potentially overestimating these
4 costs. By liquidating and syndicating the costs of non-collection, suppliers experience a
5 significant reduction in transaction costs associated with competitive retail sales, which
6 results in a competitive market where suppliers are bidding against each other, driving
7 margins down to competitive levels. That reduction in cost should flow through to
8 consumers, which is a significant benefit. Additionally, increased participation in the
9 market leads to more competition and more efficient pricing outcomes.

10 The reasons that a POR program will provide benefits to consumers include the
11 following:

12 (a) Since the EDC handles billing, collection and termination activities for both
13 the wires and supply charges, this model enables suppliers to more cost-
14 effectively serve mass market customers;

15
16 (b) Lacking the ability of suppliers to terminate for non-payment, a POR program
17 enables suppliers to serve consumers who may otherwise be uneconomic to serve
18 in a competitive market;

19
20 (c) Under a POR program, suppliers face a reduced risk of non-payment, which
21 allows them to avoid costly credit screening and selective enrollment processes;
22 and

23
24 (d) This program often eliminates the need for customers to post security deposits
25 and permits customers who would have been denied service for credit reasons to
26 choose competitive supply.

27
28 The EDC's ratepayers have paid for the utility billing, collection and termination
29 systems, under which the utility is the sole entity in Rhode Island permitted to render a
30 single bill for both supply and delivery charges. When utilities purchase (and then own)
31 the suppliers' receivables, this change leverages the billing and collections systems and

1 has a significant positive impact on the ability of competitive entrants to serve
2 consumers.

3 Taken together, the leveraging of the existing utility systems and elimination of
4 unnecessary costs for suppliers would incentivize suppliers to bring their competitive
5 offering to Rhode Island electric consumers. A favorable market fosters competition
6 among suppliers seeking to develop and offer products and services tailored to the
7 preferences of Rhode Island consumers so the supplier can earn the customer's business.
8 In such an environment, product development is robust and the result for consumers is a
9 variety of products and services from which to choose.

10 **Q. HOW DO YOU RESPOND TO GENERAL COMMENTS MADE DURING THE**
11 **TECHNICAL SESSION SUGGESTING THAT A MORE ROBUST**
12 **COMPETITIVE MARKET DOES NOT JUSTIFY THE IMPLEMENTATION OF**
13 **A POR PROGRAM?**

14 A. The State of Rhode Island General Assembly has already determined, in passing the
15 Utility Restructuring Act of 1996, that it is in the public interest to promote competition
16 in the electric industry.³ More recently, in 2018, the General Assembly recognized the
17 “importance of competitive choice in electric generation service.”⁴ In emphasizing the
18 benefits of a competitive generation market, the legislature expressly authorized the
19 Commission “to implement a purchase of receivables program where the electric
20 distribution company purchases the receivables of the nonregulated power producer at a
21 discount rate that is then offset from the monthly payments the electric distribution

³ R.I. Gen. Laws § 39-1-1(d).

⁴ R.I. Gen. Laws § 39-1-27.13(a).

1 company makes to the nonregulated power producer if the commission finds that the
 2 benefits of the program to ratepayers would exceed the costs to ratepayers.”⁵

3 Reading these provisions of the law, it is clear that the General Assembly has
 4 made the policy determination for Rhode Island -- electric competition is beneficial and it
 5 is in the public interest for the state to promote the development of a retail electric
 6 market. However, despite the General Assembly’s declaration of policy in support of
 7 electric choice 25 years ago, I noted in my Direct Testimony that only 12 percent of
 8 National Grid’s distribution customers purchase their electricity from competitive
 9 suppliers. This level of participation in the retail market is neither reflective of a robust
 10 retail market nor what the General Assembly appears to have envisioned. Given the
 11 General Assembly’s commitment to electric competition, coupled with its directives to
 12 the Commission, the implementation of a POR program that results in greater
 13 participation by suppliers and the availability of more competitive offers to consumers
 14 provides a compelling justification for approval of RESA’s Petition.

15 **III. RESPONSE TO NATIONAL GRID’S DIRECT TESTIMONY**

16 **Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY SUBMITTED BY**
 17 **NATIONAL GRID ON JANUARY 15, 2021?**

18 A. Yes. I have reviewed the Joint Direct Testimony of Donald Kirley, Josh Pasquariello and
 19 Jonathan Cohen submitted on behalf of National Grid.

20 **Q. PLEASE IDENTIFY THE ISSUES ADDRESSED BY THIS TESTIMONY.**

21 National Grid’s Joint Direct Testimony: (1) describes the risks to the Company if a POR
 22 program is implemented in Rhode Island, as well as ways to mitigate such risks; (2)
 23 explains the Company’s position on how the implementation costs will be recovered; and

⁵ R.I. Gen. Laws § 39-1-27.13(a).

1 (3) presents the Company's position on the terms and parameters of the POR program as
2 proposed by RESA.⁶

3 **Q. WHAT IS NATIONAL GRID'S POSITION ON COST RECOVERY?**

4 A. National Grid agrees with RESA's proposal to recover the implementation and
5 administrative costs through the discount rate for the POR program.⁷ This means that if
6 RESA's cost recovery proposal for the POR program is approved by the Commission,
7 National Grid's distribution ratepayers will not incur any costs. Rather, these costs will
8 be paid by participating suppliers through a discount on the account receivables
9 purchased by National Grid.

10 **Q. DOES RESA HAVE ANY CONCERNS ABOUT THE SIZE OF THE DISCOUNT**
11 **THAT MAY BE REQUIRED?**

12 A. Not particularly. While it is important for the size of the discount to stay within a range
13 that permits suppliers to cost-effectively participate in the POR program, all of the
14 estimates that National Grid has provided in this proceeding show that the discount is
15 expected to be in an acceptable range. Such a result is consistent with my experience in
16 other jurisdictions. Depending on the size of the discount, it is possible that some
17 suppliers, especially smaller ones, may not find it cost-effective to participate in the
18 program. However, larger suppliers providing generation services in multiple
19 jurisdictions to a substantial number of customers are not likely to experience any such
20 difficulties. I note that, as I stated in my Direct Testimony, and which is consistent with
21 the way other states have implemented POR programs, the initial implementation costs
22 can be spread over a period of two or more years to make the discount more manageable

⁶ National Grid Joint Direct Testimony at 6.

⁷ National Grid Joint Direct Testimony at 8.

1 for all suppliers. To the extent that the implementation or administrative costs are higher
2 than envisioned, such that the size of the discount would effectively preclude supplier
3 participation in the POR program, RESA would consider its options at that time for
4 requesting the Commission's approval for a longer or different cost recovery method.

5 **Q. WHAT IS NATIONAL GRID'S POSITION ON RESA'S PROPOSED TERMS**
6 **AND PARAMETERS OF A POR PROGRAM?**

7 A. As to RESA's proposed terms and parameters of a POR program, National Grid takes no
8 issues with RESA's proposals, subject to two caveats. The first addresses RESA's
9 proposal that suppliers be permitted to utilize POR for a portion of their commercial and
10 industrial ("C&I") customers while using separate or dual billing for others. On this
11 issue, the Company does not have an objection if its interpretation of RESA's proposal is
12 accurate, which is that some of the supplier's C&I customers would be billed directly by
13 the supplier and the Company would bill the supplier's remaining customers included in
14 the POR program.⁸

15 **Q. IS THE COMPANY'S INTERPRETATION OF RESA'S PROPOSAL**
16 **ACCURATE?**

17 A. Yes. RESA is seeking the flexibility for a supplier to directly and separately bill some of
18 its C&I customers, while having the option of the Company continuing to provide a
19 consolidated bill to other C&I customers. As proposed by RESA, all customers receiving
20 a consolidated bill (or Complete Billing Service) from National Grid would be part of the
21 POR program.

⁸ National Grid Joint Direct Testimony at 8-9.

1 **Q. WHAT IS THE COMPANY'S OTHER CAVEAT CONCERNING THE**
2 **PARAMETERS PROPOSED BY RESA?**

3 A. The other caveat raised by National Grid pertains to RESA's proposal that while only
4 generation service be included among the receivables purchased by the Company, the
5 Company should be able to voluntarily offer to purchase receivables for optional
6 services. The Company does not object to this proposal, as long as the accounts
7 receivable of additional services to be purchased by National Grid are at the Company's
8 option. However, the Company would object if the proposal is to require National Grid
9 to purchase the accounts receivable of additional services.⁹

10 **Q. IS THE COMPANY'S CAVEAT CONSISTENT WITH RESA'S EXPECTATION?**

11 A. Yes. RESA is only seeking to preserve the possibility of requesting National Grid, at its
12 discretion, to purchase the accounts receivable of additional services.

13 **Q. WHAT IS THE COMPANY'S POSITION REGARDING THE RISK OF NON-**
14 **COLLECTION?**

15 A. National Grid identifies cash flow as a risk to the Company, noting that the size of the
16 risk is dependent on participation in the POR program. The Joint Direct Testimony
17 explains that if significant numbers of customers are unable to pay their bills on time and
18 the Company is paying suppliers based on an historic average payment lag, it may create
19 cash flow challenges for National Grid. The Company's concern is magnified by the
20 COVID-19 pandemic and the Company's authority to terminate a customer for non-
21 payment being limited or paused.¹⁰

⁹ National Grid Joint Direct Testimony at 9-10.

¹⁰ National Grid Joint Direct Testimony at 6.

1 **Q. DOES NATIONAL GRID IDENTIFY MEASURES THAT COULD MITIGATE**
2 **THE CASH FLOW RISK TO THE COMPANY?**

3 A. Yes. The Company explains that one approach for mitigating the cash flow risk would be
4 to perform a cash working capital lead-lag study as part of each annual POR filing. This
5 lead-lag study, by comparing the timing of payments to suppliers to the timing of
6 payments from customers to the Company over the year, would calculate a working
7 capital impact that could be recovered through the administrative component of the
8 discount rate. Under this approach, if customers are paying the Company more slowly
9 than it is paying suppliers, National Grid would recover the working capital impact
10 through an increase in the discount rate applied to payments to suppliers. Similarly, if the
11 reverse occurs, the Company would credit the working capital impact through a reduction
12 in the discount rate applied to payments to suppliers. An alternative approach identified
13 by National Grid is that if it is able to demonstrate that it is paying suppliers more quickly
14 than customers are paying the Company, National Grid could propose an interim
15 adjustment of the payment terms to suppliers.¹¹

16 **Q. IS RESA AMENABLE TO THE USE OF EITHER OR BOTH OF THESE**
17 **MEASURES TO ADDRESS NATIONAL GRID'S CASH FLOW CONCERNS?**

18 A. Yes. RESA certainly understands the concerns about National Grid's cash flow and is
19 amenable to the use of either or both of the Company's proposed measures to address
20 them.

21 **Q. DOES THE COMPANY EXPRESS ANY OTHER CONCERNS ABOUT RESA'S**
22 **PROPOSAL?**

23 A. The only other concern expressed by the Company relates to RESA's proposed timeline
24 for implementing the POR program. As to timeline for implementation, National Grid's

¹¹ National Grid Joint Direct Testimony at 6-7.

1 Joint Direct Testimony proposes that it be provided 90 days following the resolution of
2 any contested issues.¹²

3 **Q. DOES RESA HAVE ANY OBJECTION TO AFFORDING NATIONAL GRID 90**
4 **DAYS TO IMPLEMENT ITS POR PROGRAM AFTER ALL ISSUES ARE**
5 **RESOLVED?**

6 A. No. RESA believes that given National Grid's experience with implementing a POR
7 program in Massachusetts, it should be able to address the details more quickly than 90
8 days after resolution of any contested issues. Nonetheless, RESA is amenable to
9 affording National Grid this amount of time for implementation. RESA's priority is to
10 have a POR program available in Rhode Island in the near future to facilitate supplier
11 participation in the market and to ensure that consumers are realizing the benefits of
12 electric competition, as envisioned by the General Assembly in 1996 and reiterated in
13 2018.

14 **Q. DO YOU SEE ANY ISSUES IN DISPUTE BETWEEN NATIONAL GRID AND**
15 **RESA?**

16 A. No. As I noted in my Direct Testimony, RESA expects that it will be necessary to
17 address operational and regulatory differences between Rhode Island and Massachusetts
18 prior to moving forward with POR program implementation. However, I see no
19 difficulty working through these issues with the parties so that the program can be
20 implemented as soon as possible.

21

¹² National Grid Direct Testimony at 10.

1 **IV. RESPONSE TO GOOD ENERGY'S DIRECT TESTIMONY**

2 **Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY SUBMITTED BY GOOD**
3 **ENERGY?**

4 A. Yes. I have reviewed the Direct Testimony of Philip Carr presented on behalf of Good
5 Energy.

6 **Q. HOW WOULD YOU CHARACTERIZE MR. CARR'S DIRECT TESTIMONY?**

7 A. Mr. Carr's testimony focuses on the impact of a POR program on municipal aggregation
8 programs. He notes that Good Energy is currently working with six Rhode Island
9 communities to develop and implement municipal aggregation programs. Mr. Carr
10 explains that a POR program in Rhode Island would "encourage the development of a
11 more robust market for competitive electric supply," which would "in turn allow Rhode
12 Island communities to develop more effective municipal aggregation programs with
13 increased competition and greater participation by suppliers."¹³ He further points to an
14 increase in the number of municipal aggregation plans filed with the Department of
15 Public Utilities in Massachusetts, from 13 in 1999 through 2013 to 203 plans in 2014
16 through 2018, after POR was implemented.¹⁴ Noting that most of the larger
17 municipalities in Massachusetts have established or are developing electric aggregation
18 programs, Mr. Carr opines that "the establishment of POR increased the participation of
19 suppliers in the Massachusetts electric market that serve municipal aggregations."¹⁵ He
20 also observes that a POR program in Rhode Island would allow low-income customers to

¹³ Good Energy Direct Testimony at 1-2.

¹⁴ Good Energy Direct Testimony at 1-2.

¹⁵ Good Energy Direct Testimony at 2.

1 enjoy the benefits of electric competition while maintaining their ability to participate in
2 arrears management and budget billing programs.¹⁶

3 **Q. DO YOU HAVE ANY RESPONSE TO GOOD ENERGY’S DIRECT**
4 **TESTIMONY?**

5 A. Yes. As I noted in my Direct Testimony, Rhode Island law expressly permits municipal
6 aggregation for the sale and purchase of electricity.¹⁷ Such a program permits a
7 municipality to choose an electric supplier for residents and businesses within the
8 community, making it easier for customers to obtain the benefits of electric choice.¹⁸
9 Good Energy’s Direct Testimony reinforces the importance of a POR program to
10 facilitate the growth of municipal aggregation programs and increase their likelihood of
11 success. The ability to reach low-income customers without interfering with their ability
12 to participate in programs aimed at assisting them with payment of their electric bills is a
13 compelling benefit of a POR program.

14 **V. RESPONSE TO DIVISION’S POSITION STATEMENT**

15 **Q. HAVE YOU REVIEWED THE POSITION STATEMENT SUBMITTED BY THE**
16 **DIVISION?**

17 A. Yes. I have reviewed the Division’s Position Statement, which consists of a
18 memorandum from Daymark Energy Advisors dated February 3, 2021. This
19 memorandum confirms my observation that POR appears to have achieved increased
20 market entry by suppliers, at least in the Massachusetts, Connecticut and New York
21 markets.¹⁹ The Division’s Position Statement further describes the benefits identified by

¹⁶ Good Energy Direct Testimony at 3.

¹⁷ R.I. Gen. Laws § 39-3-1.2.

¹⁸ RESA Direct Testimony at 9.

¹⁹ Division Position Statement at 1.

1 RESA as qualitative, but notes that other states have accepted these benefits in adopting
 2 POR programs. The memorandum further highlights the zero costs to customers since all
 3 would be recovered from suppliers.²⁰ As to the timing of implementation, the Division
 4 recommended a September 1, 2021 rollout of the POR program.²¹

5 **Q. WHAT IS YOUR RESPONSE TO THE DIVISION'S POSITION STATEMENT?**

6 A. I agree with the Division's Position Statement, except for noting that, in retrospect, the
 7 timeframe for implementation may be somewhat aggressive, since the parties have not
 8 yet submitted a settlement document to the Commission for approval. Further, I note
 9 that RESA's Petition assumed that the POR program would best be implemented in
 10 conjunction with National Grid changing the price for last resort service, which occurs
 11 each year in April. Upon further consideration, however, RESA believes that the POR
 12 program can be implemented at any time during the year, subject to the ability of
 13 National Grid to use its reconciliation processes. Therefore, I agree with the Division's
 14 desire to implement the POR program sooner than April 1, 2022.

15 **VI. RESPONSES TO COMMISSION DATA REQUESTS, SET II**

16 **Q. HAVE YOU REVIEWED THE COMMISSION'S SECOND SET OF DATA**
 17 **REQUESTS DIRECTED TO RESA?**

18 A. Yes.

19 **Q. AS TO THE COMMISSION'S QUESTION REGARDING THE EFFECT OF A**
 20 **POR PROGRAM ON WHOLESALE POWER SUPPLY OR DEMAND, HOW DO**
 21 **YOU RESPOND?**

22 A. A POR program would not impact aggregate wholesale power supply or aggregate
 23 demand for the New England market. Even if suppliers enter the market who are not

²⁰ Division Position Statement at 6.

²¹ Division Position Statement at 7.

1 already participating in the wholesale market, customers would have the same demand
2 for electricity regardless of the entity purchasing power on their behalf. If new suppliers
3 do not enter the market, the number and diversity of supplier offers to customers would
4 likely increase. This enhances the liquidity of the market and improves overall market
5 efficiency.

6 **Q. THE COMMISSION ALSO ASKS WHETHER POR WOULD INCREASE THE**
7 **NUMBER OF SUPPLIERS PROCURING ELECTRICITY FROM THE**
8 **WHOLESALE MARKET. PLEASE RESPOND.**

9 A. As I indicated in my Direct Testimony, implementation of POR is likely to increase the
10 number of NPPs participating in the Rhode Island residential market. Since many of
11 these suppliers are likely to already be wholesale market participants, it is difficult to say
12 whether the number of NPPs in the wholesale market will increase. However, the
13 increased number of NPPs in the Rhode Island residential retail market will increase the
14 number of offers to purchase in the wholesale market, boosting wholesale market
15 liquidity.

16 **Q. HOW DO YOU RESPOND TO THE COMMISSION'S QUESTION REGARDING**
17 **WHETHER POR WILL IMPROVE PRICE FORMATION IN THE**
18 **WHOLESALE MARKETS?**

19 A. The impact on the wholesale market from implementation of a POR program is likely to
20 be an increase in wholesale market liquidity. Increased liquidity leads to improved
21 transparency and efficiency and ultimately price formation.

22 **Q. AS TO THE COMMISSION'S QUESTION REGARDING A QUANTIFICATION**
23 **OF THE IMPROVEMENT OF PRICE FORMATION IN THE WHOLESALE**
24 **MARKETS, HOW DO YOU RESPOND?**

25 A. I am not able to provide a quantification of any improvement. With respect to an
26 economic explanation of how this might happen, it would be the result of a higher

1 volume of activity in the market and the inherent benefits of having more transparency
2 and more depth on the buy side of the market.

3 **Q. THE COMMISSION ASKS WHETHER POR WILL AFFECT RETAIL POWER**
4 **SUPPLY OR DEMAND. PLEASE RESPOND.**

5 A. As discussed above, the customer load will remain the same. It is only the provider of
6 electricity that will be different.

7 **Q. WITH RESPECT TO THE COMMISSION'S NEXT QUESTION, WILL POR**
8 **INCREASE THE NUMBER OF RETAIL SUPPLIERS THAT SELL ENERGY IN**
9 **THE MARKET?**

10 A. The introduction of POR will not necessarily increase the total number of suppliers that
11 sell energy in the retail market. However, it is likely that POR will increase the number
12 of suppliers that sell energy to mass market customers, including residential and small
13 business customers. Other jurisdictions implementing POR have experienced greater
14 participation in the market by suppliers making more offers to mass market customers.

15 **Q. AS TO THE COMMISSION'S QUESTION CONCERNING WHETHER POR**
16 **WILL IMPROVE PRICE FORMATION IN THE RETAIL MARKET, HOW DO**
17 **YOU RESPOND?**

18 A. I believe that the implementation of a POR program in Rhode Island will improve price
19 formation in the retail market. When a supplier's risks of bad debt and the costs of credit
20 screening are eliminated, it can more easily enter markets and make offers to consumers.
21 When more suppliers are participating in the market and the number of offers increases,
22 consumers naturally benefit from the availability of better prices. They also benefit from
23 suppliers competing with each other to create innovative products and services that are
24 tailored to meet the needs and demands of each consumer. Thus, while I do believe more
25 competitive pricing may translate to "lower" prices, the value of the competitive market
26 to a particular consumer likely includes more than just a price comparison.

1 **Q. THE COMMISSION ALSO ASKS FOR A QUANTIFICATION OF THE**
2 **IMPROVEMENT OF PRICE FORMATION IN THE RETAIL MARKET.**
3 **PLEASE RESPOND.**

4 A. Quantification is not possible since that would require the disclosure of individual
5 supplier's prices, which is not compatible with a competitive market. However, it is
6 basic economics that when a customer has access to multiple supplier offers, the
7 customer will be able to drive negotiations, resulting in an improvement of price
8 formation. Moreover, in a market where there a number of suppliers competing to serve
9 customers and customers seeking lower pricing, competitive market dynamics show that
10 suppliers offering higher prices are likely to design their products in a way that reflects
11 consumer demand, whether it is through lower prices or other value-added products and
12 services that are important to customers.

13 **Q. THE COMMISSION QUESTIONS HOW AN IMPROVEMENT IN PRICE**
14 **FORMATION IN EITHER THE WHOLESALE OR RETAIL MARKETS, OR**
15 **BOTH, TRANSLATES TO A BENEFIT TO RATEPAYERS. PLEASE EXPLAIN.**

16 A. POR is expected to increase the number of offers from suppliers that are available to
17 consumers, enhancing efficiency and increasing liquidity. The availability of a larger
18 number of offers will not harm consumers. Rather, it will result in suppliers competing
19 with one another to develop the products and services Rhode Island consumers want. To
20 the extent Rhode Island consumers want lower priced energy, suppliers in the
21 competitive market will respond with lower priced energy products in an effort to win
22 those customers.

23 **Q. AS TO THE COMMISSION'S QUESTION ABOUT EXPECTED**
24 **ADMINISTRATIVE COSTS SAVINGS THAT SUPPLIERS WOULD REALIZE**
25 **FROM POR, WHAT ARE SOME EXAMPLES?**

26 A. With POR, suppliers would not have to expend the resources to ask for or analyze
27 financial information to determine the creditworthiness of a prospective customer. It also

1 means that they would not need to purchase credit reports or demand security deposits.
2 The other effect is that the certainty offered by POR would avoid situations where the
3 supplier overestimates its risk. If the individual or department that is responsible for
4 setting supplier prices does not know with certainty the exposure to bad debt expense, the
5 normal approach would be to err on the side of including more of a risk premium in the
6 price. It is human nature to be more biased toward a conservative estimate, particularly
7 when a business stands to lose money if the price for the product underestimates the risk.
8 In addition, reliance on the ratepayer funded billing and collections systems of the utility
9 enables suppliers to focus resources on product development and customer service.

10 **Q. HOW WILL THIS RESULT IN A BENEFIT TO CONSUMERS?**

11 A. When a supplier incurs lower costs to sell electricity, they are able to pass on these lower
12 costs to consumers. The ability to focus on product development rather than collections
13 or traditional utility functions (which remain with the utility), enables suppliers to
14 conduct market research and the development of products and services that respond to the
15 specific customer preferences and desires. Given that POR should result in more
16 suppliers serving the residential market, suppliers will be competing against each other as
17 occurs in a truly competitive market. Because of this competition, the suppliers will be
18 incentivized to ensure that consumers receive the products and services that they want,
19 whether it is cost savings or other perks that are important to them. The result of these
20 efforts will be a wider variety of products and services for Rhode Island consumers. In
21 addition, effective competition places downward pressure on prices.

22 **Q. REFERENCING SITUATIONS WHERE CUSTOMERS PURCHASING FROM A**
23 **SUPPLIER MAY BENEFIT FROM ADD-ON OFFERINGS SUCH AS GIFT**

CARDS, THE COMMISSION ASKS WHETHER THE SUPPLIERS' PRICES INCLUDE COST RECOVERY FOR THESE OFFRINGS. PLEASE RESPOND.

A. As in any competitive business NPP prices must be set to cover the overall cost of doing business plus a return. I would remind the Commission, however, that the benefits to customers from increased competition go beyond just cost comparisons to utility service. A rotary telephone from Western Electric is certainly less costly than an Apple iPhone 12, but consumers benefit from having both products available. Enhanced product offerings in the retail market are not limited to signing inducements at the time of enrollment, such as gift cards. Renewable product offerings and integrated energy solutions which may include generation, energy efficiency and demand response, as well as commodity or cross-enrollments such as airline mile programs are all examples of products with enhanced value for consumers. The added value of these offerings is indeed reflected in the price but the availability of enhanced value offerings is a benefit to consumers.

Q. THE COMMISSION REFERS TO THE DOCKET NO. 4600 BENEFIT-COST FRAMEWORK AND ASKS RESA TO ADDRESS THESE CATEGORIES, NOTING HOW POR WOULD AFFECT THEM. HOW DO YOU RESPOND?

A. Attached to this Reply Testimony as RESA Exhibit DWA-6 is a completed Benefit-Cost Framework for the Commission's consideration. Overall, RESA has identified qualitative benefits of a POR program that support the implementation of a program, given the fact that no costs will be recovered from National Grid's ratepayers.

VII. COST-BENEFIT ANALYSIS

Q. PLEASE DESCRIBE RESA EXHIBIT DWA-6.

A. Following the Docket 4600 Benefit-Cost Framework, RESA Exhibit DWA-6 shows five columns, as follows: (1) Power System Level, Customer Level and Societal Level Cost

1 Benefit Categories; (2) Identified Costs; (3) Quantifiable Benefits; (4) Qualitative
2 Benefits; and (5) Cost-Benefit Analysis (Net Impact). In the Net Impact column, RESA
3 Exhibit DWA-6 indicates whether the category produces a “Neutral” Net Impact, a “Net
4 Benefit” or a “Net Cost.” While the vast majority of the categories resulted in a
5 “Neutral” Net Impact, RESA Exhibit DWA-6 shows a “Net Benefit” stemming from
6 implementation of the POR program where RESA was able to identify qualitative
7 benefits for a particular category. Notably, RESA identified no cost benefit categories
8 that would produce a Net Cost to ratepayers.

9 **Q. HOW DID RESA COMPLETE THE BENEFIT-COST ANALYSIS?**

10 A. RESA started by looking at the cost side of the equation. As proposed by RESA,
11 ratepayers would incur no costs associated with the implementation of the POR program.
12 Rather, National Grid would recover all of its costs from suppliers through the POR
13 discount rate, meaning that it would purchase suppliers’ accounts receivables at a
14 discount that reflects its uncollectible amounts for each customer class and its
15 implementation and ongoing costs of operating the POR.

16 **A. Costs**

17 **Q. HAS NATIONAL GRID ESTIMATED THE COSTS OF IMPLEMENTING THE**
18 **POR PROGRAM?**

19 A. Yes. The Company has estimated the costs of implementing and operating the POR
20 program. As to implementation costs, National Grid has identified approximately \$0.6
21 million, consisting of \$0.4 million in capital costs and \$0.2 million in operational
22 expenses, to upgrade its customer billing system. National Grid does not anticipate any
23 other costs except in connection with outside counsel for the handling of this proceeding,
24 which are undetermined at this time. In Massachusetts, National Grid’s total

1 implementation costs incurred for the POR program, including legal fees, was \$682,000.

2 With respect to ongoing costs, the Company has estimated \$5,000 in operational
3 expenses per year to add a Rhode Island POR program to a daily control, which is used to
4 ensure that proper payments are being generated to suppliers.

5 **Q. HAS NATIONAL GRID ESTIMATED THE IMPACT OF ITS**
6 **ADMINISTRATIVE COSTS ON THE DISCOUNT?**

7 A. Yes. At RESA's request, the Company provided estimates of this impact depending on
8 whether the initial implementation costs are recovered over a period of one, two or three
9 years. For a one-year period, National Grid estimates that the administrative component
10 of the discount would amount to 0.14%. For a two-year period, National Grid estimates
11 that the administrative component of the discount would amount to 0.07%. For a three-
12 year period, National Grid estimates that the administrative component of the discount
13 would amount to 0.05%. As I testified earlier, RESA is confident that with these
14 estimates, the discount needed to fully recover National Grid's costs will not adversely
15 affect the ability of suppliers to participate in the POR program. With National Grid's
16 costs fully recovered through the discount, its ratepayers will not be burdened with any
17 costs flowing from implementation of this program.

18 **B. Benefits**

19 **Q. HOW DID RESA EXAMINE THE BENEFIT SIDE OF THE EQUATION?**

20 A. For the benefit side of the equation, RESA focused on qualitative benefits flowing from a
21 POR program in Rhode Island. One of the reasons that providing quantitative benefits is
22 challenging for RESA is that many factors affect the level of competition in a retail
23 market, and states that have implemented PORs have often rolled out other retail market
24 enhancements around the same time. Thus, while increases in supplier participation have

1 been observed, those increases cannot always be directly attributed to the POR. In my
2 experience, however, suppliers view POR as an important tool that enables them to serve
3 customers, especially those in the mass market. Additionally, the benefits of greater
4 participation by suppliers in the market are difficult to quantify, although basic
5 economics tell us that when consumers have more choices, they are driving negotiations
6 and getting the products they desire from the market. While RESA does not have data
7 available to demonstrate quantitative benefits, we have reviewed the Benefit-Cost
8 Analysis performed by Good Energy. We note that Good Energy has estimated
9 quantitative benefits based upon its experience with the impact of a POR program on the
10 municipal aggregation program in Massachusetts. In RESA's view, Good Energy's
11 Benefit-Cost Analysis justifies implementation of the POR program in Rhode Island,
12 especially when viewed in conjunction with the qualitative benefits identified by RESA.

13 **Q. IN WHAT AREAS UNDER POWER SYSTEM LEVEL DID RESA IDENTIFY**
14 **QUALITATIVE BENEFITS?**

15 A. In the Power System Level cost benefit categories, RESA identified qualitative benefits
16 in the "Retail Supplier Risk Premium" category. As noted on RESA Exhibit DWA-6 and
17 discussed earlier in my testimony, a POR program would reduce the retail supplier's risk
18 premium that is included in its supply charges. The certainty as to the supplier's risk for
19 bad debt is a major factor in making the supplier's pricing more competitive.
20 Additionally, by reducing the supplier's risk, a POR program allows suppliers to avoid
21 costly credit screening and selective enrollment processes.

22 Also in the Power System Level, RESA identified benefits in the "Utility/Third
23 Party Developer Renewable Energy, Efficiency or DER costs" category. RESA views a
24 POR program as being likely to enhance the availability of renewable energy and energy

1 efficiency programs due to more favorable economic conditions for suppliers to serve
2 retail customers in Rhode Island.

3 Another category under Power System Level where RESA has identified POR
4 program benefits is labeled as “Innovation and Learning by Doing.” As a POR program
5 allows suppliers to focus on the development of innovative product offerings, customers
6 will have the opportunity to benefit from that innovation and determine which energy
7 products and services best meet their individual needs.

8 RESA has further identified a benefit to the “Utility low income” category under
9 Power System Level. Here, RESA notes that low-income customers would have greater
10 access to competitive offers in the market as a result of the POR program.

11 A final category under Power System Level that the POR program may benefit is
12 “Distribution system and customer reliability/resilience impacts.” Greater participation
13 by suppliers in the retail market would enable the utility to focus on its core distribution
14 system functions.

15 **Q. HOW ABOUT UNDER CUSTOMER LEVEL?**

16 A. Under Customer Level, RESA has identified qualitative benefits in the categories of
17 “Program participant/prosumer benefits/costs,” as well as “Low-Income Participant
18 Benefits,” “Consumer Empowerment & Choice” and “Non-participant (equity) rate and
19 bill impacts.” Largely, these benefits would flow from the development of a more robust
20 competitive market, which is the result of greater supplier participation in the market that
21 fosters competition among suppliers to develop and offer products and services tailored
22 to the needs of Rhode Island consumers. Consumers having access to a greater number
23 of supply offers will increase liquidity in the market and put downward pressure on retail
24 prices, which is a benefit to consumers participating in the market and also offers

1 potential benefits to consumers who have previously remained with the utility for supply
2 service.

3 **Q. HAS RESA ALSO IDENTIFIED SOCIETAL LEVEL BENEFITS?**

4 A. Yes. Under Societal Level, RESA has pointed to qualitative benefits in the categories of
5 “Conservation and community benefits,” “Non-energy costs/benefits: Economic
6 Development,” “Innovation and knowledge spillover,” and “Societal Low-Income
7 Impacts.” Again, the benefits flowing to these categories are primarily due to the reality
8 that when a competitive market functions properly, supplier participation increases. Due
9 to the natural competition among suppliers that occurs in a truly competitive market, and
10 the desire to deliver the products and services that consumers demand, consumers are the
11 beneficiaries as they are driving the negotiations.

12 **Q. TO SUPPORT RESA’S RELIANCE, IN LARGE PART, ON THE COMPETITIVE**
13 **MARKET TO DELIVER THE BENEFITS OF A POR PROGRAM, CAN YOU**
14 **POINT TO DATA THAT SHOWS THE POTENTIAL COST SAVINGS TO**
15 **CONSUMERS?**

16 A. Yes. I attached to my Direct Testimony examples of Energy Market Savings Reports
17 issued by RESA in October 2020 showing the savings that Connecticut and
18 Massachusetts consumers could have realized by shopping for electricity. To this Reply
19 Testimony, I am attaching a Market Savings Report for April 2021 that provides a
20 savings summary for all jurisdictions that RESA examined, which is labeled as RESA
21 Exhibit DWA-7. The Market Savings Report for April 2021 shows the number of offers
22 below the utility’s default service rate and quantifies the customer savings per kilowatt
23 hour, as well as savings for the month if these offers are accepted. For instance, in
24 Connecticut, 47 supplier offers are below the rate charged for default service by
25 Eversource – CL&P and 66 supplier offers are below the United Illuminating default

1 service rate. In addition, I am attaching the April 2021 Market Savings Reports for
2 Connecticut and Massachusetts, as RESA Exhibit DWA-8, showing the potential savings
3 available to consumers in those competitive markets. In April alone, Connecticut
4 consumers could have saved more than \$17 million and Massachusetts customers could
5 have saved more than \$32 million, along with benefitting from a wide range of value-
6 added products and services, by switching to competitive suppliers.

7 **Q. DOES THIS MARKET SAVINGS REPORT SHOW ANYTHING ELSE?**

8 A. Yes. It also shows the notable offers that are available to consumers in these markets.
9 Examples include electric vehicle (“EV”) charger rebates and free weekend EV charging;
10 charitable donations based on customer usage; renewable energy products; National
11 Parks Pass; Hive Starter Pack; Perks Points that are redeemable for energy efficient
12 products, gift cards or Visa prepaid cards; access to an Energy Reward Store, which is an
13 online marketplace offering a variety of energy-saving products; Power Rewards,
14 enabling saving on shopping, dining, travel and movies; LuminAid solar lantern that can
15 help get customers through a storm; a year of Amazon Prime; and a tree being planted on
16 the customer’s behalf. With this diverse array of options available, consumers have the
17 opportunity to select how they want to spend their energy dollars. They can either look
18 for the lowest price for the commodity or they can choose to put their energy dollars to
19 work in a way that benefits them or is otherwise important to them. I believe it is critical
20 to recognize these choices as being reflective of how suppliers respond when they need to
21 each need to portray themselves as a company to which consumers want to give their
22 business.

23 **Q. IT HAS BEEN SUGGESTED THAT IF VALUE-ADDED PRODUCTS AND**
24 **SERVICES ARE PROVIDED BY SUPPLIERS AT A COST TO THEIR**

1 **CUSTOMERS, THAT COST NEEDS TO BE FACTORED INTO THE BENEFIT-**
2 **COST ANALYSIS. DO YOU AGREE?**

3 A. No. Even if consumers end up paying higher supply charges to their suppliers than they
4 would have paid to the EDC for last resort service, that does not mean the consumers
5 have incurred additional costs due to the implementation of a POR program. To the
6 contrary, it means that as a result of creating a more robust competitive market, the POR
7 program has made additional products or services available that are attractive or valuable
8 to customers, for which they are willing to pay a premium in their commodity charges.

9 **Q. ARE COSTS CHARGED BY SUPPLIERS TO THEIR CUSTOMERS**
10 **RELEVANT TO THE BENEFIT-COST ANALYSIS FOR A POR PROGRAM?**

11 A. No. The costs that a supplier might charge to provide value-added products and services
12 to consumers are not relevant to the Benefit-Cost Analysis for a POR program. Notably,
13 the Utility Restructuring Act of 1996, as amended in 2018, only requires the Commission
14 to consider the costs of a POR program to “ratepayers.”²² To the extent that a supplier
15 recovers costs of value-added products and services through the commodity price it
16 charges customers, those are not costs borne by “ratepayers.” Suppliers do not have
17 “ratepayers,” but rather have supply customers. Only National Grid has “ratepayers,”
18 who are the distribution customers paying distribution rates to the Company in an amount
19 approved by the Commission. By contrast, the supply price that customers pay to their
20 suppliers is not regulated by the Commission and is instead established by the supplier in
21 the competitive market. Customers purchasing supply from suppliers are not captive as
22 are distribution ratepayers and the costs they willingly pay in the competitive market are
23 not costs to “ratepayers.” Therefore, I do not see the relevance to the Benefit-Cost

²² R.I. Gen. Laws § 39-1-27.13(a).

1 Analysis for the POR program of any increased costs that suppliers' customers may
2 choose to pay in the competitive market.

3 **Q. ARE ANY IMPACTS ON NATIONAL GRID'S LAST RESORT SERVICE**
4 **CUSTOMERS RELEVANT TO THE BENEFIT-COST ANALYSIS FOR THE**
5 **POR PROGRAM?**

6 A. No. Since National Grid's last resort service customers are not purchasing their
7 electricity from suppliers, they are not incurring any costs associated with the POR
8 program. Therefore, whether they are benefitting from the program is irrelevant. When
9 National Grid seeks Commission approval of a program, it is not required to show that
10 ratepayers of Block Island Power Company will benefit. In the same way, RESA should
11 not be expected to demonstrate a benefit to National Grid's supply customers. Rather, it
12 is sufficient for RESA to show, as it has, that POR will improve prices and offers that are
13 available to customers purchasing their electricity from suppliers in the competitive
14 market.

15 **Q. AT THE TECHNICAL SESSION, THERE WAS DISCUSSION ABOUT THE**
16 **NEED FOR AN OVERALL NET BENEFIT OF THE PROGRAM, AS OPPOSED**
17 **TO A SHIFTING OF COSTS. HOW DO YOU RESPOND?**

18 A. My understanding of the discussion at the technical session is that a shifting of costs is
19 not an appropriate consideration in the context of the Benefit-Cost Analysis and that the
20 Commission expects to see an overall net benefit of the program before approving its
21 implementation. As a preliminary matter, I do not view the implementation of a POR
22 program as resulting in a shifting of costs. Although suppliers are incurring the costs of
23 the program through a discount on the accounts receivables purchased by the EDC, this is
24 not a new cost, as uncollectible charges are already a cost of doing business. Rather, by
25 liquidating and syndicating the uncollectible cost, a POR program removes business
26 uncertainty for the NPP, enabling the NPP to remove from its pricing a premium to cover

1 this business uncertainty. In my experience, corporate risk and credit departments are
2 much more likely to overestimate uncollectible costs than to underestimate them. This is
3 because the consequences of overestimation, business lost to competitors, are far less
4 transparent than the consequence of underestimation, an accounting adjustment to book
5 the loss. Liquidating uncollectible costs at the outset through POR removes this bias and
6 therefore lowers retail prices overall.

7 **Q. DO YOU BELIEVE THAT THE RECORD SHOWS THAT THE BENEFITS OF A**
8 **POR PROGRAM TO CONSUMERS WOULD OUTWEIGH THE ZERO COSTS**
9 **THAT WOULD BE RECOVERED FROM RATEPAYERS?**

10 A. Yes. Given that no costs to ratepayers have been identified and that between Good
11 Energy and RESA, the parties have shown a number of quantitative and qualitative
12 benefits of implementing a POR program, I believe that the record demonstrates that the
13 benefits outweigh the costs. Good Energy has provided estimates of quantitative benefits
14 if POR is part of a municipal aggregation program, and has highlighted benefits to low-
15 income customers. Additionally, RESA has identified a number of qualitative benefits
16 that consumers would realize as a result of implementing a POR program in Rhode
17 Island. Key among them are the credit screening costs that suppliers can avoid and the
18 elimination of risk stemming from non-payment, which are likely to result in a greater
19 number of offers being made to mass market customers. With more robust participation
20 in the market by suppliers, consumers will be driving negotiations and basic economics
21 will place downward pressure on prices.

22 **Q. DO YOU HAVE ANY GENERAL COMMENTS ABOUT THE BENEFIT-COST**
23 **FRAMEWORK?**

24 A. Yes. While RESA has made an effort to perform a benefit-cost analysis of the proposed
25 POR program, it is my understanding that the Benefit-Cost Framework was developed to

1 analyze utility proposals, particularly in the context of requests for increases in rates.
 2 Even as described in the data request, the document “takes the regulator’s perspective to
 3 the benefit-cost categories.” The data request further explains that “increased benefits or
 4 costs to all entities should show up as net.” In my view, the Benefit-Cost Framework is
 5 generally not applicable to RESA’s proposal for the implementation of a retail market
 6 enhancement that is expected to promote electric competition, which the General
 7 Assembly has made a priority.

8 Further, the Utility Restructuring Act of 1996, as amended in 2018, establishes a
 9 different standard for evaluating POR programs, which I believe trumps the
 10 Commission’s approach that is used in evaluating utility proposals. In emphasizing the
 11 benefits of a competitive generation market, the legislature authorized the Commission
 12 “to implement a purchase of receivables program where the electric distribution company
 13 purchases the receivables of the nonregulated power producer at a discount rate that is
 14 then offset from the monthly payments the electric distribution company makes to the
 15 nonregulated power producer if the commission finds that the benefits of the program to
 16 ratepayers would exceed the costs to ratepayers.”²³ When this standard is applied to
 17 RESA’s proposal, all the Commission needs to do in order to approve the Petition is to
 18 find a benefit – any benefit – that consumers would realize from a POR, which would
 19 result in the benefits exceeding the zero costs to ratepayers.

20 **VIII. CONCLUSION**

21 **Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?**

22 **A.** Yes; however, I do reserve the right to supplement this testimony as may be appropriate.

²³ R.I. Gen. Laws § 39-1-27.13(a) (emphasis supplied).

RESA EXHIBIT DWA-6

BENEFIT-COST
FRAMEWORK

**Rhode Island Purchase of Receivables Program
Docket 4600 Benefit-Cost Framework
Docket No. 5073 – May 27, 2021)**

Power System Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Energy Supply & Transmission Operating Value of Energy Provided or Saved	\$0	\$0	None	Neutral
Renewable Energy Credit Cost /Value	\$0	\$0	None	Neutral
Retail Supplier Risk Premium	\$0	\$0	<p>A POR program eliminates bad debt risks otherwise faced by retail suppliers. It does this by giving suppliers a known amount of uncollectible costs to include in supply charges so that it does not overestimate the risk premium included in its supply charges. Through elimination of a supplier’s risk of non-payment, a POR program allows suppliers to avoid costly credit screening. By liquidating and syndicating the costs of non-collection, suppliers experience a significant reduction in transaction costs associated with competitive sales. The certainty as to the supplier’s risk for bad debt is a major factor in making the supplier’s pricing more competitive.</p> <p>Because EDCs handle billing, collection and termination activities for both the wires and supply charges, a POR program enables suppliers to more cost-effectively serve mass market customers. The</p>	Net Benefit

Power System Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
			leveraging of the existing utility systems and elimination of unnecessary costs for suppliers results in a competitive market where suppliers are bidding against each other, driving margins down to competitive levels. Increased participation in the market leads to more competition and more efficient pricing outcomes.	
Forward Commitment: Capacity Value	\$0	\$0	None	Neutral
Forward Commitment: Avoided Ancillary Services Value	\$0	\$0	None	Neutral
Utility/Third Party Developer Renewable Energy, Efficiency or DER costs	\$0	\$0	By making it more economic for suppliers to serve customers in Rhode Island, a POR program is likely to enhance the availability of renewable energy and energy efficiency programs.	Net Benefit
Electric Transmission Capacity Costs/Value	\$0	\$0	None	Neutral
Electric transmission infrastructure costs for Site Specific Resources	\$0	\$0	None	Neutral
Net risk benefits to utility system operations (generation, transmission, distribution)	\$0	\$0	None	Neutral

Power System Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Option value of individual resources	\$0	\$0	None	Neutral
Investment under Uncertainty: Real Options Cost/Value	\$0	\$0	None	Neutral
Energy Demand Reduction Induced Price Effect	\$0	\$0	None	Neutral
Greenhouse gas compliance costs	\$0	\$0	None	Neutral
Criteria air pollutant and other environmental compliance costs	\$0	\$0	None	Neutral
Innovation and Learning by Doing	\$0	\$0	By eliminating the risk of uncollectible amounts and relying on the utility to handle billing, collection and termination activities, a POR program allows suppliers to focus on the development of innovative product offerings that are designed to meet the needs of individual customers. In addition, consumers learn how they can best spend their energy dollars based on their experiences with various products and what is important to them in purchasing electric supply.	Net Benefit
Distribution capacity costs	\$0	\$0	None	Neutral
Distribution delivery costs	\$0	\$0	None	Neutral
Distribution system safety loss/gain	\$0	\$0	None	Neutral

Power System Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Distribution system performance	\$0	\$0	None	Neutral
Utility low income	\$0	\$0	A POR program eliminates the need for customers to post security deposits with suppliers and permits customers who would have been denied for credit reasons to choose competitive supply. As a result, more low-income customers would have access to competitive offers that are available in the retail market, allowing them to choose products that best suit their needs, for either lower prices, price stability or other features they value.	Net Benefit
Distribution system and customer reliability / resilience impacts	\$0	\$0	Greater supplier participation in the retail market would enable the utility to focus on core distribution functions.	Net Benefit
Distribution system safety loss/gain	\$0	\$0	None	Neutral

Customer Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Program participant / prosumer benefits / costs	\$0	\$0	When suppliers have greater certainty due to the elimination of uncollectible risks, they are more likely to bring their competitive offerings to Rhode Island electric consumers. As a result, a POR program would provide consumers with greater access to the supply offered in the competitive market. A favorable market fosters competition	Net Benefit

Customer Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
			among suppliers seeking to develop and offer products and services tailored to the preferences of Rhode Island consumers. In such an environment, product development is robust and the result for consumers is a variety of products and services from which to choose. Consumers having access to a greater number of supply offers will also increase liquidity in the market and put downward pressure on retail prices.	
Participant non-energy costs/benefits: Oil, Gas, Water, Waste Water	\$0	\$0	None	Neutral
Low-Income Participant Benefits	\$0	\$0	A POR program eliminates the need for customers to post security deposits with suppliers and permits customers who would have been denied for credit reasons to choose competitive supply. As a result, more low-income customers would have access to competitive offers that are available in the retail market, allowing them to choose products that best suit their needs, for either lower prices, price stability or other features they value.	Net Benefit
Consumer Empowerment & Choice	\$0	\$0	When a greater number of supplier offers are available in the market, consumers benefit by being able to select a product that best meets their needs. Consumers are better positioned to drive the negotiations in a way that results in them having the ability to choose how they wish to spend their energy dollars.	Net Benefit

Customer Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Non-participant (equity) rate and bill impacts	\$0	\$0	With the development of a more robust competitive market, all consumers benefit even if they are not currently participating in the market. This is because having access to a properly functioning retail market means that consumers can opt at any time to shop for electricity and potentially have access to products that were not previously available.	Net Benefit

Societal Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Greenhouse gas externality costs	\$0	\$0	None	Neutral
Criteria air pollutant and other environmental externality costs	\$0	\$0	None	Neutral
Conservation and community benefits	\$0	\$0	With increased supplier participation in the retail market, more products may be available that encourage energy conservation, particularly during peak periods. In addition, entire communities will benefit through improved access to municipal aggregation programs.	Net Benefit
Non-energy costs/benefits: Economic Development	\$0	\$0	A more robust retail electric market promotes economic development by enabling consumers to choose the energy products that support these efforts.	Net Benefit

Societal Level (Cost Benefit Categories)	Identified Costs	Quantifiable Benefits	Qualitative Benefits	Cost-Benefit Analysis (Net Impact)
Innovation and knowledge spillover	\$0	\$0	As the retail market becomes more robust with suppliers competing against each other to win a consumer's business, they are incentivized to develop innovative products that are demanded by electric customers in 2021 and beyond. When customers obtain improved access to these innovative products that cannot readily be provided by utilities due to their highly regulated environment, they will drive further innovation because of the knowledge they gain about how technology can best assist them in meeting their energy needs.	Net Benefit
Societal Low-Income Impacts	\$0	\$0	A POR program eliminates the need for customers to post security deposits with suppliers and permits customers who would have been denied for credit reasons to choose competitive supply. As a result, more low-income customers would have access to competitive offers that are available in the retail market, allowing them to choose products that best suit their needs, for either lower prices, price stability or other features they value.	Net Benefit
Public Health	\$0	\$0	None	Neutral
National Security and US international influence	\$0	\$0	None	Neutral

RESA EXHIBIT DWA-7

MARKET SAVINGS
REPORT APRIL 2021

All Offers

Apr-21	Price to Compare "PTC" (\$/kWh)	Lowest Offer (\$/kWh)	Customer Savings (\$/kWh)	Potential Market Savings for the Month (Total \$)	# of Offers	Offers Below PTC	Recorded Date
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Fixed Price Offers

# of Offers	Offers Below PTC	Longest Term (bill cycles)	Lowest Offer (\$/kWh)
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Variable Price Offers

# of Offers	Offers Below PTC	Lowest Offer (\$/kWh)
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Green Offers

# of Offers	Offers Below PTC	Lowest Offer (\$/kWh)
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MARKETS

Connecticut

Eversource - CL&P	\$0.08391	\$0.0634	\$0.02051	\$14,053,463	86	47	4/29/21	59	37	36	\$0.06340	N/A	N/A	N/A	27	10	\$0.07090
United Illuminating	\$0.09369	\$0.0667	\$0.02699	\$3,022,094	83	66	4/29/21	57	47	36	\$0.06670	N/A	N/A	N/A	26	19	\$0.07090

D.C.

Pepco DC (1)	\$0.07252	No Offers Provided			0	0		No Offers Provided				No Offers Provided					No Offers Provided
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Illinois

Ameren I - CIPS	\$0.04505	\$0.0410	\$0.00405	\$1,032,824	45	1	4/29/21	37	0	36	\$0.04600	2	0	\$0.07700	6	1	\$0.04100
Ameren II - CILCO	\$0.04527	\$0.0410	\$0.00427	\$593,137	41	1	4/29/21	34	0	36	\$0.04600	2	0	\$0.07700	5	1	\$0.04100
Ameren III - IP	\$0.04554	\$0.0410	\$0.00454	\$1,717,987	45	1	4/29/21	37	0	36	\$0.04600	2	0	\$0.07700	6	1	\$0.04100
ComEd	\$0.06905	\$0.0549	\$0.01415	\$25,838,213	88	17	4/29/21	63	14	48	\$0.05490	6	2	\$0.06577	19	1	\$0.05900

Massachusetts (2)

NSTAR BECO	\$0.11795	\$0.0867	\$0.03125		51	38	4/30/21	9	7	38	\$0.09190	18	14	\$0.08670	24	17	\$0.08870
NSTAR CAMB	\$0.11795	\$0.0867	\$0.03125	\$14,107,572	50	37	4/30/21	8	6	38	\$0.09190	18	14	\$0.08670	24	17	\$0.08870
NSTAR COMM	\$0.11795	\$0.0867	\$0.03125		50	37	4/30/21	7	5	38	\$0.09190	19	15	\$0.08670	24	17	\$0.08870
FGE	\$0.11400	\$0.0957	\$0.01830	\$191,605	17	13	4/30/21	4	3	38	\$0.10600	9	4	\$0.09570	4	2	\$0.10980
MECO	\$0.12388	\$0.0868	\$0.03708		51	38	4/30/21	8	5	38	\$0.09490	21	17	\$0.08680	22	16	\$0.08880
Nantucket	\$0.12388	\$0.1057	\$0.01818	\$15,667,431	13	11	4/30/21	4	3	36	\$0.10870	5	5	\$0.10570	4	3	\$0.11070
WMECO	\$0.10708	\$0.0824	\$0.02468	\$2,040,401	47	28	4/30/21	7	5	38	\$0.09190	20	14	\$0.08240	20	9	\$0.08440

Maryland

BGE	\$0.07053	\$0.0514	\$0.01913	\$12,118,942	137	28	4/30/21	68	13	36	\$0.05140	8	3	\$0.06500	61	12	\$0.05300
Delmarva MD	\$0.07859	\$0.0489	\$0.02969	\$3,938,779	111	53	4/30/21	58	26	36	\$0.05930	3	2	\$0.07590	50	25	\$0.04890
Potomac Edison	\$0.06319	\$0.0504	\$0.01279	\$1,932,579	92	20	4/30/21	46	10	36	\$0.05040	4	3	\$0.06000	42	7	\$0.05350
Pepco MD	\$0.07079	\$0.0509	\$0.01989	\$6,142,678	117	21	4/30/21	59	11	36	\$0.05270	5	1	\$0.06930	53	9	\$0.05090

Ohio

AEP Columbus Southern	\$0.05028	\$0.0351	\$0.01518		148	39	4/30/21	70	24	36	\$0.03590	8	4	\$0.04000	70	11	\$0.03510
AEP Ohio Power	\$0.05028	\$0.0351	\$0.01518	\$15,662,494	148	39	4/30/21	70	24	36	\$0.03590	8	4	\$0.04000	70	11	\$0.03510
Cleveland Electric Illuminating	\$0.04745	\$0.0352	\$0.01225	\$4,805,908	128	15	4/30/21	63	8	36	\$0.03790	7	1	\$0.04000	58	6	\$0.03520
Dayton	\$0.04605	\$0.0352	\$0.01085	\$4,195,217	107	20	4/30/21	52	12	36	\$0.03960	6	3	\$0.04000	49	5	\$0.03520
Duke	\$0.05350	\$0.0352	\$0.01830	\$9,088,522	157	49	4/30/21	73	31	36	\$0.03790	15	3	\$0.04000	69	15	\$0.03520
Ohio Edison	\$0.04700	\$0.0379	\$0.00910	\$6,127,185	129	13	4/30/21	65	7	36	\$0.03790	7	1	\$0.04000	57	5	\$0.04070
Toledo Edison	\$0.04776	\$0.0379	\$0.00986	\$1,804,845	127	14	4/30/21	65	8	36	\$0.03790	7	1	\$0.04000	55	5	\$0.04070

Pennsylvania

Duquesne	\$0.07065	\$0.0419	\$0.02875	\$7,082,953	130	34	4/30/21	79	19	36	\$0.04300	5	3	\$0.06670	46	12	\$0.04190
MetEd	\$0.05418	\$0.0399	\$0.02028	\$7,695,941	135	11	4/30/21	90	8	36	\$0.03449	5	1	\$0.05020	40	2	\$0.03390
PECO	\$0.06267	\$0.0401	\$0.02257	\$15,162,583	155	45	4/30/21	94	33	36	\$0.04470	5	2	\$0.05870	56	10	\$0.04010
Penelec PA	\$0.04981	\$0.0379	\$0.01191	\$3,616,943	131	8	4/30/21	85	5	36	\$0.03829	4	2	\$0.04580	42	1	\$0.03790
Penn Power	\$0.05721	\$0.0451	\$0.01211	\$1,241,438	101	4	4/30/21	65	1	36	\$0.05270	4	2	\$0.04790	32	1	\$0.04510
PPL	\$0.07317	\$0.0424	\$0.03077	\$25,886,428	163	68	4/30/21	102	40	36	\$0.04249	7	5	\$0.06500	54	23	\$0.04240
West Penn Power	\$0.05154	\$0.0309	\$0.02064	\$7,644,097	112	19	4/30/21	73	12	36	\$0.03199	5	4	\$0.04750	34	3	\$0.03090

FOOTNOTE

- 1) D.C. PTC analysis compares both the utility PTC rate and supplier offer rates from the previous month. This is due to the Public Service Commission of the District of Columbia typically publishing the offers late and at times without a consistent frequency.
- 2) Massachusetts Variable Price Offers for this analysis are those that automatically renew to a variable price-product since the MA Dept of Public Utilities currently doesn't publish variable offers.

State	REP	Description
Connecticut	Clearview Electric, Inc.	Electric vehicle charger rebate and free weekend EV charging, not to exceed 250 kWhrs per month.
	Connecticut Gas & Electric, Inc.	Monthly dining certificate available.
	Discount Power, Inc.	Monthly shopping/dining certificate.
	Verde Energy USA, Inc.	Cash back program.
	XOOM Energy Connecticut, LLC	Supplier will make a charitable donation based on customer usage.
D.C.	Agera Energy	50% Wind or 100% Wind Nationally sourced
	Clean Currents	50% Wind or 100% Wind offers
	Ethical Electric	100% Wind Power from Regional Source
	IDT Energy	100 Hydroelectric
	Stream Energy	Includes Identity Protection
	Viridian	50% Renewable Energy
	Viridian	100% Wind
Illinois	WGL Energy Services, Inc.	5% Wind, 50% Win, or 100% Wind offers
	American Power & Gas of IL, LLC	Fixed 100% Clean Energy rate plus a 25% rebate on your average monthly supply charges after 12 months. Thereafter customers will receive a competitive variable rate. No monthly fees with 12 months of price certainty.
	CleanChoice Energy, Inc.	Claim your National Parks Pass when you choose 100% wind & solar with CleanChoice Energy. Mention offer NPSPass over the phone or sign up online via the offer link.
	Direct Energy	You'll get a Hive Starter Pack with your order to create the perfect smart home. Hive smart home services help you connect to your home from virtually anywhere.
	Illinois Gas & Electric	A month-to-month variable product, in which upon completion of your 12th billing cycle you will be eligible to receive a 12% rebate on your single highest month's supply charge.
	Just Energy	Sign up and receive up to 5,000 Just Energy Perks Points. Plus receive up to 2,000 more points every 3 months you're with Just Energy. Points are redeemable for Energy Efficient Products, Gift Cards or Visa Prepaid Cards.
	Just Energy	The Illinois Unlimited Plan is a Gas and Electric offer starting from \$109/month with 20% JustGreen included at no extra charge and a possible \$250 rebate. Check Just Energy's website for more information.
	Liberty Power Holdings LLC	Our \$25x2 customer loyalty program is offered to new and existing customers that sign up for or renew onto a fixed-rate plan. You'll receive two \$25 gift cards, one at 3 months and another at 12 months - for a total of \$50!
	NRG Home	100% Wind Energy! Plus, get a Goal Zero Rock Out 2 Solar Speaker after 3 months of service.
	NRG Home	Get \$50 sign up bonus after 6 months of service, and 5% cash back annually. plus 1% Cash Back after every 12 months of service. Rate is variable after term expiration. Click Sign Up For This Offer for full details.
Maryland	Verde Energy USA	New enrollments receive \$100 in Cash-Back Savings, a 10% discount on energy saving products, and free access to Verde Energy Solutions where customers can monitor & analyze their energy use. To enroll visit www.verdeenergy.com .
	AEP Energy, Inc.	Includes access to AEP Energy Reward Store, a one-stop online marketplace filled with a variety of energy-saving products for your home and is exclusively for AEP Energy customers. You can earn Reward Dollars to use in the Reward Store by enrolling in this price plan.
	Balance Power Systems, LLC	We charge at the wholesale price +5% and cap first month at SOS. We are non-profit and developing the market for dual fuel appliances and thermal energy storage to enable households to save money while using renewables the instance they generate.
	Constellation NewEnergy, Inc.	A 90-day satisfaction guarantee that gives you the ability to cancel your contract during the 90-day period without an early termination fee.
	Discount Power, Inc.	Receive \$1200 annually in Discount Power Rewards. Save on shopping, dining, travel, movies, and so much more!

	Great American Power, LLC	This plan includes \$50 of Shopping Rewards per Month. This product is 100% GREEN.
	IDT Energy, Inc.	Take advantage of cash-back rebates and offers on the energy you consume. Enroll and register to earn Rewards on the energy you consume. Redeem points for branded merchandise and retailer gift cards. Visit www.IDTEnergy.com .
	Liberty Power Maryland, LLC	Our customer loyalty program is offered to new and existing customers that sign up for or renew onto a fixed rate plan. You'll receive two \$25 gift cards, one at 3 months and another at 12 months, for a total of \$50!
	Reliant Energy Northeast LLC d/b/a NRG Home	The NRG Home Online Exclusive Plan includes: 3-month or 6-month promotional supply price, 1% Cash Back after every 12 months of active service with us. See Important Offer Details at nrghomepower.com/md6781
	SFE Energy Maryland Inc d/b/a SFE Energy or SFE	SFE will plant 1 tree on your behalf. Introductory rate for first 2 months of 0.0971c/kWh. You may receive up to \$75 cash back if you don't save money over the course of your term.
	SFE Energy Maryland Inc d/b/a SFE Energy or SFE	You may receive up to \$50 cash back if you don't save money over the course of your term.
	Spark Energy, LP	Prepare and protect 12:Lock in a low rate for 12 months -- and get a LuminAID solar lantern that can get you through almost any storm. Plus, we'll donate a lantern in your name to an area in need. A cancellation fee of \$100 applies.
	Spring Energy RRH LLC d/b/a Spring Power & Gas	Customers can select either 5% Ecogold Rewards to redeem for gift cards and movie tickets or 3% Cash Back. Rewards are calculated based on Spring's supply charges.
	Starion Energy PA, Inc.	A cancellation fee of \$100 applies if you cancel Starion Energy during the fixed rate initial term. Active customers can also enroll in Starion Rewards, our free loyalty rewards program. Visit our website for more information.
	XOOM Energy Maryland, LLC	Enroll on RescueLock 12 and 5% of your monthly energy charges will be donated to PetSmart Charities!
Massachusetts	CleanChoice Energy	Rewards Programs, Sponsored Promotions, Claim your National Park Pass to visit over 200 sites in America
	Direct Energy Services	Amazon Echo Dot at no cost
	Discount Power	Receive \$1200 annually in Discount Power Rewards. Save on shopping, dining, travel, movies, and so much more!
	Just Energy Massachusetts	You'll receive 16,000 Just Energy Perks points equivalent to \$160 and 2 FREE LED bulbs.
	Liberty Power	Sign up or renew a fixed rate plan and receive a \$25 gift card at 3 months and another at 12 months. Total \$50.
	Renaissance Power & Gas, Inc.	Carbon Offset, Charitable Contributions
	SFE Energy Massachusetts	Carbon Offset, Cash Back, Eligible for \$75 rebate if you don't save money over course of term
	Starion Energy, Inc.	\$25 Amazon gift card
	Union Atlantic Electricity	2% Annual Cash Back, \$25 Monthly shopping and dining rewards
	Verde Energy USA	Energy Efficiency Services, Cash Back
Ohio	AEP Energy Inc	You can earn Reward Dollars to use in the Reward Store by enrolling in this price plan.
	Alpha Gas And Electric LLC	50% Cash Back on Alpha supply portion of customer's bill of choice after six months of Alpha supply service
	American Power & Gas of Ohio LLC	Our 25% rebate check is available to all of our customers. Plus: Travel Savings Deal Dollars Movie downloads Reforestation projects 1yr magazine subscription Pick yours! We have sent out over \$900 000 in rebates. Are you getting one?
	Energy Plus Holdings LLC	Earn a \$50 Enrollment Bonus after two months of electric service with Energy Plus and 3% Cash Back every year on the supply portion of your electric bills.
	Energy Service Providers Inc	Customers will be eligible for a 12% rebate off of their highest monthly supply charge following the first 12 months of service.
	Great American Power LLC	**SHOPPING REWARD DOLLARS** \$500 when you start service for first month and \$100 every month remaining in the contract.
	Hiko Energy LLC	ONE FREE MONTH OF ENERGY SUPPLY after 12 consecutive months of service with HIKO - see welcome packet for details.
	IGS Energy	Earn 5¢/gal in Fuel Rewards Savings for every \$50 you spend with IGS Energy on your utility bill.
	Just Energy	If you successfully enroll in the Just Energy Natural Gas or Electricity plan from another energy retailer we will reimburse any exit fees that your previous retailer charges you to a maximum of \$50 per commodity.

	Just Energy	Sign up and receive 2 Free LED bulbs and up to 5 000 Just Energy Perks Points. Plus receive up to 2 000 more points every 3 months you're with Just Energy. Points are redeemable for Energy Efficient Products Gift Cards or Visa Prepaid Cards.
	Liberty Power Holdings LLC	Our customer loyalty program is offered to new and existing customers that sign up for or renew onto a fixed-rate plan. You'll receive two \$25 gift cards one at 3 months and another at 12 months - for a total of \$50!
	NRG Home	100% Wind Energy and a Goal Zero Rock Out 2 Solar Speaker after 3 months
	SmartEnergy Holdings LLC	6 month fixed with a \$50 Cash Back Bonus
	Residents Energy LLC	Earn 5% cash-back in the form of a rebate every 6 months. Plus get a \$25 Awards2GoVISA® gift card after the 3rd bill cycle.
	XOOM Energy Ohio LLC	Get the peace of mind you deserve with our RescueLock 12 fixed rate plan! Enroll on RescueLock 12 and 5% of your monthly energy charges will be donated to PetSmart Charities!*
Pennsylvania	AEP Energy	Enjoy a year of Amazon Prime, a \$99 value, on us when you enroll your home on our energy supply. Already a Prime member? Extend your existing membership for one year with this offer. This offer is for new customers only and subject to availability.
	Agway Energy Services LLC	Promotional rate for the 1st bill to introduce you to our EnergyGuard repair program. This valuable coverage is included with our commodity supply and provides Peace of Mind repair protection on your central a/c unit and electric lines in your home.
	Ambit Energy	Ambit Green Keystone Variable: This plan is eligible for free energy and travel rewards. Our famous 25% rebate check is available to all of our customers.
	American Power & Gas of Pennsylvania LLC	Plus: Travel Savings, Deal Dollars, Movie downloads, Reforestation projects, 1yr magazine subscription Pick yours! We have sent out over \$900,000 in rebates. Are you getting one?
	CleanChoice Energy	Switch to 100% clean energy with CleanChoice Energy today and claim your promotional National Park Pass when you use the offer NPSPass over the phone at 1-800-460-4900. Now when you support 100% clean renewable energy with CleanChoice Energy not only will you get a National Park Pass to be able to visit more than 2,000 sites across America, but also with your new clean energy plan you'll help keep those sites beautiful for future generations.
	Discount Power Inc.	*New customers only ** Receive \$1200 annually in Discount Power Rewards. Save on shopping, dining, travel, movies, and so much more
	Great American Power	***SHOPPING REWARDS PROGRAM*** \$500 SHOPPING DOLLARS + \$100 SHOPPING DOLLARS EVERY MONTH By selecting this plan, you will have exclusive access to our Shopping Rewards Program. We would love to welcome you to our program and enjoy these special features and benefits. This is a fixed plan for 18 Months at \$0.0619 with an Early Termination Fee is \$10 per month remaining in the contract and will not exceed \$100. ***For New Customers Only*** To enroll, on line go to www.greatamericanpower.com or call 1-877-215-4140. Note: The monthly fee is calculated at \$.50 per day and will change based on the number of days in the billing cycle.
	IDT Energy, Inc.	Our 12-month fixed supply rate. NO termination fees, rate spikes, or enrollment fee. Gain the security of a fixed rate with the flexibility of a variable program. Earn REWARD points for every kWh used and redeem them for gift cards and more.
	Liberty Power	Our \$25x2 customer loyalty program is offered to new and existing customers that sign up for or renew onto a fixed-rate plan. After 3 months with Liberty Power, you are eligible to redeem a \$25 gift card. After your 12 month anniversary, you are eligible to redeem another \$25 gift card - for a total of \$50! It's our way of saying Happy Anniversary!

NRG Home	This plan benefits the Children's Hospital of Philadelphia (CHOP). It includes a 12-month fixed price, \$50 contribution to CHOP after one month of service, and a 1% ongoing, annual contribution. Click "Sign Up For This Offer" for full details.
Palmco Power PA, LLC	Web Exclusive Fixed Plan: 13 month fixed term contract. Rate of 0.07500 for the initial 1 month of service, followed by a fixed rate of 0.0818 for the remaining 12 months. No cancellation fees. Promotions available (restrictions apply): Dinner & Movie Gift Cards Restaurant.com Gift Cards Referral Credits
SFE Energy	SFE will plant 1 tree on your behalf. You may receive up to \$50 cash back if you don't save money over the course of your Agreement's term.
SFE Energy	You may receive up to \$75 cash back if you donate save money over the course of your Agreement's term.
Shiple Energy	Earn 3% cash back with Shipley's PowerPerks rewards program! New Customer Rate.
Shiple Energy	Get the protection you want with our Fixed Rate Offer! Click "View Offers" above to sign up today! Plus earn 3% cash back with Shipley's PowerPerks rewards program! For New Customers Only.
SmartEnergy	\$50 rebate after 3 months
Verde Energy USA, Inc.	New enrollments receive \$100 in Cash-Back Savings, a 10% discount on energy saving products, and free access to Verde Energy Solutions where customers can monitor and analyze their energy use.

State	Utility	Rate Schedule	Number of Residential Customers	Utility Load Profile Assigned	Monthly kWh by Profile	Total Monthly kWh	Sources	Notes
Connecticut	Eversource - CL&P	Residential - Rate 1	1,141,723	RNSH: Residential Non-Space Heat (01)	600	685,200,555	Rate Schedule: Utility Tariff Offers taken from Connecticut Rate Board: www.energizect.com Number of CL&P Residential Customers: FERC Form1 2019 Q4	1) # of Fixed and Green Offers excludes offers not available until the following month 2) Green Offers not included in Fixed offer analysis 3) Green Offers defined as those with green provisions exceeding the state minimum
	United Illuminating	Residential - Rate R	304,670	R: Residential	367	111,954,298	Number of UI Residential Customers: FERC Form1 2019 Q4	4) Total Monthly kWh = Number of Residential Customers x Monthly kWh by Profile 5) Offers containing enrollment fees are not included in this analysis 6) Offers containing monthly service fees are not included in this analysis. A few offers now have hidden monthly pass through fees for capacity.
D.C. (1)	Pepco	Residential - Schedule R	191,431	RDNS: Residential Non-Space Heating (DC)		109,951,846	Rate Schedule: Utility Tariff Offers: D.C. PSC - History of Electric Gen & Trans Prices: https://www.dcpsc.org/Utility-Information/Electric/Historical-and-Analytical-Information-for-Electric/Consumer-Advisory-Electricity-Prices.aspx Pepco's Average Number of Residential Customers and Total Monthly kWh: https://www.dcpsc.org/Utility-Information/Electric/Historical-and-Analytical-Information-for-Electric/Rates-and-Number-of-Customers.aspx	1) D.C. PTC analysis is on a 1 month lag due to the P.S.C. typically publishing the offers late and without a consistent frequency. 2) Green Offers not included in Fixed and Variable offer analysis 3) Green Offers defined as those with green provisions exceeding the state minimum
Illinois	Ameren_IL Zone I	BGS-1 - Residential Service	322,420	RESHDL: High summer use; Low winter use		255,006,543	Rate Schedule: Utility Tariff	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis
	Ameren_IL Zone II	BGS-1 - Residential Service	189,335	RESHDL: High summer use; Low winter use		138,982,034	Offers taken from Plug In Illinois website: www.pluginillinois.org	2) Offers were not considered green in cases where green is mentioned in the offer description but there are no details of what percentage is green
	Ameren_IL Zone III	BGS-1 - Residential Service	545,651	RESHDL: High summer use; Low winter use		378,627,762	Source for Number of Residential Customers and Total Monthly kWh: https://www.icc.illinois.gov/Electricity/SwitchingStatistics.aspx	3) Offers showing "Custom Price" as the rate, with no actual value, are not included as part of the analysis
	ComEd	Residential	3,628,387	23: Residential Single Family Without Electric Space Heat		1,826,022,134		4) Offers containing Monthly fees assessed by the retail suppliers, primarily in ComEd territory, are not included as part of the analysis
Massachusetts	NSTAR BECO	Rate A1		R1: Rate R1 Residential			Rate Schedule: Utility Tariff	1) Green Offers not included in Fixed and Variable offer analysis
	NSTAR CAMB	Rate A1	965,279	R1: Rate R1 Residential		451,442,316	Offers taken from Energy Switch MA: http://energyswitchma.gov	2) Green Offers defined as those with green provisions exceeding the state minimum
	NSTAR COMM	Rate A1		R1: Rate R1 Residential			Source for Number of Residential Customers and Total Monthly kWh: https://www.mass.gov/service-details/electric-customer-migration-data	3) Available Number of Residential Customers and Total Monthly kWh for NSTAR not broken out by utility within the state so state totals for all of NSTAR used
	FGE	Residential - RD-1	21,765	RD1: Residential RD1		10,470,198		4) Available Number of Residential Customers and Total Monthly kWh for NGRID not broken out by utility within the state so state totals for all of NGRID used
	MECO	Rate R1	1,046,414	R1: Residential - Non-Space Heat		567,044,201		5) Variable offers are those that automatically renew to a variable product
	Nantucket	Rate R1		R1: Rate R1 Residential Regular				
	WMECO	Residential Electric (Non-heating)	151,793	R1: Rate R1 Residential Regular		82,674,261		
Maryland	BGE	Schedule R	1,182,516	R: Residential Service	536	633,504,567	Rate Schedule: Utility Tariff	1) Green Offers not included in Fixed and Variable offer analysis
	Delmarva MD	Service Classification - R	180,449	MDDRS: Maryland - Residential Service	735	132,673,323	Offers taken from Maryland PSC: https://www.mdelectricchoice.com/shop	2) Green Offers defined as those with green provisions exceeding the state minimum
	Potomac Edison	Schedule R	240,781	RSNH: Residential Service - No Electric Heat	628	151,100,788	Source for Number of Residential Customers: http://www.psc.state.md.us/electricity/electric-choice-monthly-enrollment-reports/#	3) Total Monthly kWh = Number of Residential Customers x Monthly kWh by Profile

	Pepco MD	Schedule R	533,647	RMNS: Residential Non-Space Heating (MD)	579	308,756,414		4) Offers classified by PSC as Variable with Term listed as 'Varies' are assumed to have a term of 1 month
OH	AEP Columbus Southern	Schedule RS	1,304,178	CSRESA: Residential		1,031,846,000	Rate Schedule: Utility Tariff	1) Green Offers not included in Fixed and Variable offer analysis
	AEP Ohio Power	Schedule RS		OPRESA: Residential			Offers taken from PUC: www.energychoice.ohio.gov	2) Green Offers defined as those with green provisions exceeding the state minimum
	Cleveland Electric Illuminating	Residential	670,415	RG: Residential-General		392,255,000	Source for Number of Residential Customers and Total Monthly kWh: https://app.powerbigov.us/view?r=evjrlojZTlIZDEZNGEIZlhYi00YWEzLThZikMfMGZmNDg4OWE4ZDFklwidCl6lUwZlhmY2M0LTK0ZDgTNGYwNv04NGVlTMZZWQ1N2M3YzhMlJ9	3) Offers, Available Number of Residential Customers and Total Monthly kWh for AEP not broken out by utility within the state so state totals for all of AEP used
	Dayton	Residential	467,466	RS00: Residential No Heat Default		386,770,000		4) Total Monthly kWh derived by multiplying monthly listed MWh by 1,000
	Duke	Residential	651,974	RS0: Residential - Unknown Winter Load		496,532,000		5) Offers containing a monthly service fee are not included in this analysis
	Ohio Edison	Residential	941,127	RG: Residential-General		673,317,000		
	Toledo Edison	Residential	275,917	RG: Residential-General		183,140,000		
Pennsylvania	Duquesne	Rate Schedule RS	543,155	RS: Residential Service	246,346,445	246,346,445	Rate Schedule: Utility Tariff	1) # of Fixed, Variable, and Green Offers for this analysis excludes any offers containing Enrollment Fees, Monthly Service Fees, Daily Service Fees, or are not available until the following month
	MetEd	Rate RS	512,198	RSNH: Residential Service - No Electric Heat	741	379,484,255	Offers taken from PA Power Switch www.papowerswitch.com/	2) Green Offers not included in Fixed and Variable offer analysis
	PECO	Rate R	1,513,377	R112: Residential - Average Monthly 451- 800 kWh	444	671,802,541	Number of Residential Customers: http://www.oca.state.pa.us/Industry/Electric/elecstats/ElectricStats.htm (Current year statistics now being provided, no longer using previous year proxy)	3) Green Offers defined as those with green provisions exceeding the state minimum
	Penelec PA	Rate RS	501,995	RSNH: Residential Service - No Electric Heat	605	303,689,590		4) GRT embedded in Utility PTC rate and retail offers
	Penn Power	Rate RS	147,990	RG: Residential-General	693	102,513,457		5) Total Monthly kWh for DQE = Monthly kWh by Profile
	PPL	Schedule RS	1,270,615	RS-GRS: RESIDENTIAL SERVICE - NON-ELEC HEAT	662	841,287,882		6) Total Monthly kWh for all other utilities = Number of Residential Customers x Monthly kWh by Profile
	West Penn Power	Rate RS	630,589	RSNH: Residential Service - No Electric Heat	587	370,353,551		7) Offers classified by PUC as Variable with Term listed as 'No term length' are assumed to have a term of 1 month

RESA EXHIBIT DWA-8

MARKET SAVINGS
REPORTS FOR
CONNECTICUT AND
MASSACHUSETTS
APRIL 2021

ENERGY MARKET SAVINGS REPORT

Connecticut



By shopping for the best deal for electricity, Connecticut consumers could have saved more than **\$17 million** in April and benefited from a wide range of value-added products and services by switching to competitive suppliers.

Savings Over

Eversource – CL&P:	\$14,053,463
United Illuminating:	\$3,022,094
April Potential Market Savings:	\$17,075,558

April Notable Offers:



PRICE PLANS

Monthly shopping/dining certificate



ECO-FRIENDLY

Electric vehicle charger rebate and free weekend EV charging



VALUE ADDED PRODUCTS

Charitable donation based on customer usage

ENERGY MARKET SAVINGS REPORT



Massachusetts

By shopping for the best deal for electricity, Massachusetts consumers could have saved more than **\$32 million** in April and benefited from a wide range of value-added products and services by switching to competitive suppliers.

Savings Over

Eversource Energy East:	\$14,107,572
Eversource Energy West:	\$191,605
National Grid:	\$15,667,431
Unitil:	\$2,040,401
April Potential Market Savings:	\$32,007,009

April Notable Offers:



PRICE PLANS

\$25 Amazon gift card



ECO-FRIENDLY

Two free LED light bulbs



VALUE ADDED PRODUCTS

Amazon Echo Dot